

Record of outreach meetings with think tanks

We held two outreach meetings with think tanks, one in Brussels on 28 January 2013 and one in London on 15 February 2013. Representatives from the following think tanks participated:

1. Centre for European Policy Studies (CEPS)
2. Central for European Reform (CER)
3. European Centre for Development Policy Management (ECDPM)
4. European Centre for International Political Economy (ECIPE)
5. European Council on Foreign Relations (ECFR)
6. Overseas Development Institute (ODI)

The following is a record of the statements made by the representatives at those meetings.

BEGINS

Advantages of working through the EU

Scale, reach and coordination

- The EU operates at a larger scale than the Member States taken individually. Action coordinated through the EU can result in reduced transactions cost when compared to action taken by all Member States individually. The enhanced coordination is especially valuable in the humanitarian context.
- The EU has a larger geographical reach than the Member States and provides aid to countries that would not otherwise received aid, e.g. Eritrea.
- The EU leverages financial contributions for aid from Member States that would not otherwise maintain aid programmes.
- ECHO's "value added" is that it acts as a "wholesaler" of humanitarian aid, rather than a "retailer." It pools aid funding from Member States and distributes it to organisations that target specific needs.
- Because of its scale and reach, the EU is a comparatively strong actor in infrastructure and cross-border projects, which perhaps even suggests the EU should have a greater role in these areas.

Political neutrality

- The EU appears more politically neutral than the Member States, and its aid decisions are less driven by political or strategic interests.
- EU also has value as a role model for other regional bodies (esp. groups of African states)

Relations between aid and other competences; potential for Policy Coherence for Development

- Compared with other international organisations, the EU is an economic and political actor able to combine and interact trade, development and diplomacy.
- Because the EU has exclusive competence in trade, and competence in other areas, it is potentially well placed to achieve Policy Coherence for Development (PCD), although its implementation of PCD is weaker in practice.
- Trade policy should be made at the EU level because the EU is a major trading bloc and is therefore better placed than individual Member States to negotiate with major international partners (i.e. the EU has more weight than Member States acting alone).

Alignment of UK/EU policy objectives; UK's influence in the EU

- The EU is “not a threat” to UK development interests. In fact, the UK has a strong voice in EU development policy. For example, the European Consensus on Development was framed around poverty reduction, which was (and is) a greater priority for the UK than it is for other Member States.

Disadvantages of working through the EU

EU policy making and coordination

- EU policy making is conducted by negotiations between all Member States, each of which has different policy objectives and priorities. Each Member State must therefore be willing to compromise on its priorities to a certain extent. It is difficult to measure how far an EU policy position diverges from the UK's own position in a particular policy area; this can only ever be approximate. Yet the UK has a strong voice in the EU [*see above*].
- Despite the Commission and EEAS efforts to coordinate their and Member States' activities, there are cases where those activities are inconsistent or even competing. The proliferation of actors and interests in a particular developing country can have a negative impact by increasing transaction costs.

Inefficiency

- Compared to the UK, the EU is relatively more bureaucratic and process-oriented. This likely limits the EU's ability to innovate. However, comparing the EU with its individual Member States in this way is not a like-for-like comparison; at present, the relative impact of EU bureaucracy is not known.
- It is important to be open about the disadvantages of working through the EU and to focus efforts on how to improve its effectiveness.

Policy Coherence for Development (PCD)

- The EU is failing to implement PCD effectively because there is a lack of coordination between the EU institutions (i.e. between the Commission and

the EEAS, and between the various Commission Directorates-General (DGs)) on the issue. This may in part be due to EU's institutional structural (in particular the lack of a body similar in function to the UK's Cabinet Office or National Security Council, i.e. with the ability and authority to coordinate policies across all the Commission DGs) or due to a lack of political will on the part of individual Commissioners.

- PCD is undermined by the fact that the interests of the various Commission DGs are not fully aligned. For example, there are perceivable differences between the policy positions of DEVCO [which is responsible for development policy] and DG CLIMA [which is responsible for climate change policy] on the post 2015 development agenda.
- This limits the EU's ability to assure international partners that it can finance and implement effectively the commitments that it makes in international discussions, e.g. the Doha trade negotiations.

Institutional capacity and expertise

- When compared to Member States, particularly the larger donor states (e.g. UK, France, Germany), the Commission DGs and the EEAS lack technical expertise in the area of development. This is in part due to Member States' unwillingness to commit staff or resources from their own development ministries or agencies.

Institutional structure and relations

- The degree to which the European Parliament can be held accountable for its actions and positions is questionable.
- The roles of the Council and the Commission in EU policy-making can be complex and ambiguous. For example, it can at times be unclear whether or how far the Council has approved a Commission Communication in its Council Conclusions. Where the Council only "approves" or "welcomes" parts of a Communication, the status of the remaining parts of the Communication is unclear.
- The interests of the various Commission DGs are not fully aligned [see *above*].
- The division of EU aid administration between DEVCO (for development aid) and ECHO (for humanitarian aid) creates unnecessary coordination problems and inhibits the EU's ability to combine short-term and long-term programmes and funding to support developing countries' preparedness for disasters. The scope for effective collaboration between DEVCO and ECHO on policy making is limited and can reflect a lowest common denominator approach (e.g. this could explain the narrow focus of the Communication on resilience on tackling hunger, without tackling wider resilience issues).
- There is limited coordination between the Commission and EEAS in policy making, with the EEAS and the Commission in practice dividing up particular policies to lead on (for example, the EEAS led on developing the EU human rights strategy, whereas the Commission led on the strategies on the Horn of Africa and the Sahel).
- However, it is premature to judge the role of EEAS because it was only recently formed.

Relationship between development/humanitarian aid and other areas of EU external action

- The EEAS tends to marginalise development objectives in favour of other foreign policy or strategic interests. As such, all decisions on development policy and programmes should be taken by the Commission rather than the EEAS.
- Member States are reluctant to allow the EEAS to intervene in some areas of foreign policy, particularly defence. This limits the potential scope of EU action and its ability to be a strategic actor at the global level.
- The EU's external action policy on certain issues or regions can at times be dominated by certain Member States' interests (e.g., the policy towards the EU's southern neighbourhood is dominated by France and Italy). The same geopolitical interests can potentially determine EU aid decisions.
- The EU lacks a structured framework for strategic partnerships. This can mean it is difficult to establish partnerships with key actors, e.g. the protracted negotiations for a partnership between the EU and the Gulf Cooperation Council. This may hinder the EU's ability to establish or adjust partnerships with key emerging development actors.
- Some development-led policies can stall because they are also heavily political and therefore need political-level clearance and decision making, e.g. the Joint EU-Africa Strategy.

Assessing alternative models for working through the EU

- The counterfactuals needed to assess alternative models for the EU's role in development/humanitarian aid are difficult to define.
- It is difficult to make comparisons between the EU and other international organisations with which DFID works because the EU's unique structure and political configuration do not correspond neatly with those of the other organisations. This limits our ability to assess whether working more through those organisations and less through the EU would be to the UK's advantage.
- Equally, we do not know how other models of competence (e.g. exclusive competence, supporting competence) would operate in these areas. We can only speculate how they would affect, or potentially limit, the UK's actions.

Future options and challenges

- The gradual consolidation of the EU towards a super-state form of government by granting the institutions (especially the EEAS) greater executive powers and responsibility is not realistic. The EU should look to increase its coordination role, not its executive powers.
- The EU needs to increase its development expertise by recruiting more technical experts, especially into the EEAS.
- The HR/VP should make more use of his/her vice presidential powers in the Commission, especially to drive forward the "comprehensive approach" and a

framework for strategic partnerships. It may be the case that this can only be achieved by splitting or deputising the HR/VP's vice presidential role.

- In terms of PCD in the area of trade, the EU's focus should be on ensuring market access for developing countries, particularly by revising mechanisms like the Generalised Scheme of Preferences (GSP).

ENDS
